

## ***AUGUST TAX FACTS***

### **SUMMARY OF GENERAL FUND REVENUES**

	<u>August 1998</u>	Fiscal Year <u>Total</u>
<b>Individual Income Tax</b>		
Net Collections	\$139,659,487	\$264,236,501
Percent Change	22.5%	16.2%
<b>Corporate Income Tax</b>		
Net Collections	\$10,100,814	\$27,459,604
Percent Change	30.9%	25.4%
<b>Transaction Privilege, Severance &amp; Use Taxes</b>		
Net Collections	\$204,560,849	\$419,098,576
Percent Change	12.0%	9.6%
<b>Total Big Three Tax Types</b>		
Net Collections	\$354,321,150	\$710,794,681
Percent Change	16.4%	12.5%



# TAX FACTS

August 1998

## INDIVIDUAL INCOME TAX

### Individual Income Tax Receipts

	August 1998	August 1997	% Change
Gross Collections	\$11,292,141	\$13,322,935	(15.2%)
Withholding	\$172,086,535	\$137,057,280	25.6%
Refunds	(\$15,359,967)	(\$12,065,086)	27.3%
Urban Revenue Sharing	(\$28,359,221)	(\$24,270,298)	16.8%
<b>Net Collections</b>	<b>\$139,659,487</b>	<b>\$114,044,830</b>	<b>22.5%</b>

  

	Fiscal Year Total	Fiscal Year Total	% Change
Gross Collections	\$21,830,166	\$23,025,454	(0.5%)
Withholding	\$326,819,668	\$273,529,831	19.5%
Refunds	(\$27,694,891)	(\$20,531,152)	34.9%
Urban Revenue Sharing	(\$56,718,443)	(\$48,540,596)	16.8%
<b>Net Collections</b>	<b>\$264,236,501</b>	<b>\$227,483,538</b>	<b>16.2%</b>

### Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$0.087 million for August and \$0.78 million for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$.15 million.

### Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. Refunds issued as a result of the FERC project totaled \$0.065 million for August and \$0.36 million for the fiscal year. In addition to this amount, \$0 of available credits were used to cover outstanding agency debts. The law firm of Bonn, Lusher, Padden & Wilkins has obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from the their work. This amount is equal to \$0.014 million for the month of August and \$0.072 million for the fiscal year.

### Individual Income Tax Document Count

In calendar year 1997, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	TOTAL
#	35,011	1,156,502	59,506	94,782	436	38,471	559,205	19,900	1,963,816
%	1.8	58.9	3.0	4.8	0.0	2.0	28.5	1.0	

In calendar year 1998 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	TOTAL
#	29,956	1,090,430	55,368	98,894	213	33,701	560,948	18,640	1,888,150
%	1.6%	57.8%	2.9%	5.2%	0.0%	1.8%	29.7%	1.0%	

The 1,888,150 returns filed through August 1998 compares to 1,845,245 filed through August 1997 an increase of 2.3%. This count represents multiple tax years. For tax year 1997 filed in 1998, 1,827,923 returns have been filed, an increase of 3.8% from 1996 returns filed in 1997 for the same period of time.

### **Year-Over-Year Comparison of Resident Taxpayers**

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,269,262 returns in calendar year 1998 for tax year 1997 from filers who also have returns on record from calendar year 1996 with the same marital status. On average, these filers experienced a 8.4% growth in FAGI and a 3.3% increase in tax liability. More specifically, 37.6% of these filers experienced a decrease in tax liability, on average a decrease of 34.6% with a corresponding average decrease in FAGI of 15.5%. Filers showing an increase in tax liability totaled 637,389, or 50.2%, with an average FAGI increase of 34.0% and an average tax liability increase of 52.9%.

### **Average Individual Income Tax Refund**

	Average	Number
1998	\$485.48	1,216,825
1997	\$480.33	1,149,588
% Change	1.1%	5.8%

### **"New" Filers in Calendar Year 1998**

Table 1 attached to this report presents the number of "new" returns filed in calendar year 1998. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 214,678 "new" returns have been filed thus far in 1998, representing approximately 258,847 persons, not including dependents. The average Federal Adjusted Gross Income for these 214,678 returns is \$16,600, with an average tax liability of \$260. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 19.6% had a married filing joint filing status, 8.0% claimed a 65 And Over Exemption and 31.7% claimed dependents.

### **Individual Income Tax Estimated Payments**

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1997 were \$281.4 million, for an average of \$1,621. A total additional \$38.9 million in estimated payments was received as refunds on the 1997 tax returns applied to 1998 estimates, for an average of \$1,513.

8/98	140ES payment	\$4,557,193	cumulative	\$107,145,576
8/97	140ES payment	\$1,898,241	cumulative	\$92,256,809
	percent change	140.1%		16.1%
8/98	average payment	\$910	cumulative	\$1,206
8/97	average payment	\$780	cumulative	\$1,158
	percent change	16.7%		4.1%
8/98	applied refund	\$5,650,926	cumulative	\$26,745,838
8/97	applied refund	\$3,553,168	cumulative	\$19,965,811
	percent change	59.0%		33.9%
total 8/98		\$10,208,119	cumulative	\$133,891,414
total 8/97		\$5,451,409	cumulative	\$112,222,620
	percent change	87.3%		19.3%

### **Withholding**

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from January 1997 through March 1998, \$403,625,797 was received for the first quarter of 1997. The latest complete quarter (15 months of information has been compiled) is the second quarter of 1997, which shows a growth rate of 7.2% in withholding payments over the second quarter of 1996. Growth in quarters for which information is still being gathered is as follows:

3rd Quarter 1997	11.6%	2nd Quarter 1998	13.0%
4th Quarter 1997	12.7%	3rd Quarter 1998	9.8%
1st Quarter 1998	10.9%		

The comparisons made above were against the same number of months of collections in the previous year. In other words, the fifteenth month of information available for the second quarter of 1997 was compared against the fifteenth month of collections for second quarter 1996. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

### **Property Tax Credits**

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	\$ (Mil)	Average
Calendar Year 1998	18,482	5.5	299.50
Calendar Year 1997	19,859	5.8	291.62
% Change	(6.9%)	(5.2%)	2.7%

### **Contributions on the Individual Income Tax Return**

Through August 1998, the following contributions have been made by individual income tax return filers

	Number	Amount	Average
Wildlife	16,617	\$182,611	\$10.99
Child Abuse	18,027	\$212,896	\$11.81
Special Olympics	9,737	\$92,408	\$9.49
Neighbors Helping	6,600	\$58,165	\$8.81
Democratic Party	1,232	\$11,935	\$9.69
Republican Party	861	\$10,851	\$12.60
Libertarian Party	279	\$2,966	\$10.63
Reform Party	40	\$993	\$24.83
New Alliance	1	\$5	\$5.00

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## **CORPORATE INCOME TAX**

### **Corporate Income Tax Receipts**

	August 1998	August 1997	% Change
Gross Collections	\$14,167,094	\$9,966,268	42.2%
Refunds	(\$4,066,281)	(\$2,248,728)	80.8%
<b>Net Collections</b>	<b>\$10,100,814</b>	<b>\$7,717,540</b>	<b>30.9%</b>
	<b>Fiscal Year Total</b>	<b>Prior Fiscal Year Total</b>	<b>% Change</b>
Gross Collections	\$34,295,828	\$27,641,009	24.1%

Refunds	(\$6,836,224)	(\$5,745,086)	19.0%
<b>Net Collections</b>	<b>\$27,459,604</b>	<b>\$21,895,923</b>	<b>25.4%</b>

### **Corporate Estimated Payments**

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

Aug 1998	\$7,513,881	Calendar Year Total	\$310,265,684
Aug 1997	\$6,727,237	Calendar Year Total	\$307,432,342
% Change	11.7%	% Change	0.9%

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for August 1998 and for the fiscal year.

Size of Payment ➔	less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
Aug 1998	69	9	6	3	0	0	87	14.5
Aug 1997	56	7	10	3	0	0	76	
CY 1998	1,604	245	261	45	24	2	2,181	22.1
CY 1997	1,223	244	237	52	28	2	1,786	

### **Corporate Refunds**

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 97/98, 2.8% of the refund dollars paid were for corporate fiscal years ending in 1993 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	93 & Prior	94	95	96	97	98
FY 97/98	2.8%	3.5%	5.4%	70.9%	16.9%	0.5%

Corporate Fiscal Year-End:	94 & Prior	95	96	97	98	99
FY 98/99	2.2%	1.3%	6.3%	81.5%	8.7%	0.0%

### **Corporate Income Tax Document Count**

The Arizona Department of Revenue received 87,507 corporate returns showing a fiscal year-end of 1996. The type of return received is indicated below:

	120X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)
#	579	50,936	35,657	335
%	0.7%	58.2%	40.7%	0.4%

Through August 1998, 70,533 documents have been received for a fiscal year-end of 1997, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)
#	261	38,889	31,074	309
%	0.4%	55.1%	44.1%	0.4%

The figures shown above for the 1997 returns are most meaningful when compared to 1996 returns received during the same period of time in the previous year. Through August 1997 the Arizona Department of Revenue received

65,091 documents with a fiscal year-end of 1996. This represents an increase of 8.4% in corporate returns received at this point of time in the calendar year.

### **Urban Revenue Sharing Returned to Cities/Towns**

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.0% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 1998/1999 is based on net income tax collections in Fiscal Year 1996/1997. Amounts returned for August 1998 are shown on Table 2, at the end of this report.

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## **TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES**

### **Transaction Privilege, Severance and Use Tax Receipts**

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Mining severance is 80% distribution base and 20% non shared. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax, jet fuel use tax, and over 10 million gallon jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	<b>August 1998</b>	<b>August 1997</b>	<b>% change</b>
Distribution Base	\$83,937,521	\$76,689,663	9.5
Non shared	162,868,034	144,787,051	12.5
Use Tax	12,742,764	11,423,328	11.5
Other Revenues	25,599,876	30,861,673	(17.0)
<b>Total Collections</b>	<b>\$285,148,196</b>	<b>\$263,761,715</b>	<b>8.1</b>

  

	<b>Fiscal Year Total (98/99)</b>	<b>Fiscal Year Total (97/98)</b>	<b>% change</b>
Distribution Base	\$174,881,701	\$162,806,401	7.4
Non shared	334,849,443	303,554,411	10.3
Use Tax	23,932,434	22,678,728	5.5
Other Revenues	52,112,493	62,390,275	(16.5)
<b>Total Collections</b>	<b>\$585,776,071</b>	<b>\$551,429,815</b>	<b>6.2</b>

### **Distribution of Transaction Privilege, Severance and Use Tax Receipts**

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund. All of the non shared portion and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege and severance tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	<b>August 1998</b>	<b>August 1997</b>	<b>% change</b>
Retained by State	\$204,560,849	\$182,660,644	12.0
Returned to Counties	34,003,090	31,066,982	9.5
Returned to Cities	20,984,380	19,172,416	9.5
Other	25,599,876	30,861,673	(17.0)
<b>Total Collections</b>	<b>\$285,148,196</b>	<b>\$263,761,715</b>	<b>8.1</b>



	<b>Fiscal Year Total (99/98)</b>	<b>Fiscal Year Total (98/97)</b>	<b>% change</b>
Retained by State	\$419,098,576	\$382,385,067	9.6
Returned to Counties	70,844,577	65,952,873	7.4
Returned to Cities	43,720,425	40,701,600	7.4
Other	52,112,493	62,390,275	(16.5)
<b>Total Collections</b>	<b>\$585,776,071</b>	<b>\$551,429,815</b>	<b>6.2</b>

### **Transaction Privilege and Severance Tax Collections By Class**

	<b>Tax Rate</b>	<b>August 1998</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting/Towing	5%	\$265,821	(1.6)	\$608,713	5.5
Non-Metal Mining/Oil & Gas	3.125%	575,137	26.9	1,157,904	19.8
Utilities	5%	26,558,643	10.2	47,902,551	4.3
Communications	5%	8,370,674	17.0	16,953,100	10.8
Railroads/Aircraft	5%	186,048	35.3	344,593	43.4
Private Car/Pipelines	5%	87,751	9.0	198,095	95.6
Publishing	5%	537,814	(5.7)	1,061,488	4.2
Printing	5%	1,640,913	7.0	3,345,505	2.1
Restaurants/Bars	5%	20,250,992	12.9	42,048,811	12.2
Amusements	5%	2,183,073	(13.5)	5,208,875	1.0
Commercial Lease	0%	6,918	(97.4)	207,188	(93.4)
Rental of Personal Property	5%	12,985,464	30.6	27,197,597	21.6
Contracting	3.75% - 5%	41,908,498	23.5	86,865,603	22.3
Feed Wholesale	repealed	105	(94.4)	345	(80.5)
Retail	5%	124,357,782	8.7	261,273,973	7.7
Advertising	0	0	N/A	0	N/A
Mining Severance	2.5%	1,830,692	(39.5)	3,612,918	(40.4)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	2,059	(57.8)	6,329	(19.1)
Hotel/Motel	5.5%	4,721,919	(0.8)	11,140,316	6.4
Membership Camping	5%	3,372	(17.9)	4,400	(17.9)
Use/Use Inventory	5%	12,756,870	11.7	23,946,540	5.6
Rental Occupancy Tax	3%	9,609	56.6	14,314	26.3
Jet Fuel Tax	\$.0305/\$.0105 gal	279,074	(11.1)	536,925	(22.5)
<b>Total</b>		<b>\$259,519,228</b>	<b>11.4</b>	<b>533,636,084</b>	<b>9.1</b>

The Use/Use Inventory category shown above includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

### **Transaction Privilege and Severance Tax Taxable Sales By Class<sup>1</sup>**

	<b>August 1998</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Transporting/Towing	\$5,316,420	(1.6)	\$12,174,260	5.5
Non-Metal Mining/Oil & Gas	18,404,395	26.9	37,052,942	19.8
Utilities	531,172,869	10.2	958,051,022	4.3
Communications	167,413,475	17.0	339,062,005	10.8
Railroads/Aircraft	3,720,953	35.3	6,891,859	43.4

<sup>1</sup>These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

Private Car/Pipelines	1,755,014	9.0		3,961,894	95.6
Publishing	10,756,282	(5.7)		21,229,762	4.2

	<b>August 1998</b>	<b>% Chg</b>	<b>Fiscal Year Total</b>	<b>% Chg</b>
Printing	32,818,258	7.0	66,910,109	2.1
Restaurants/Bars	405,020,246	12.9	840,977,046	12.2
Amusements	43,661,462	(13.5)	104,177,492	1.0
Commercial Lease	270,200	(98.7)	8,159,145	(97.4)
Rental of Personal	259,709,274	30.6	543,951,941	21.6
Property				
Contracting	838,203,874	23.5	1,737,775,556	22.4
Feed Wholesale	22,482	(94.4)	73,537	(80.5)
Retail	2,487,156,047	8.7	5,225,515,691	7.7
Advertising	0	N/A	0	N/A
Mining Severance	73,227,677	(39.5)	144,516,736	(40.6)
Timber Severance	0	N/A	0	N/A
Hotel/Motel	85,853,079	0.8	202,551,193	6.4
Membership Camping	67,441	(17.9)	88,003	(17.9)
Use/Use Inventory	254,855,283	11.2	478,331,046	5.4
Rental Occupancy Tax	320,295	(56.6)	477,138	26.3
<b>Total</b>	<b>5,219,725,025</b>	<b>10.5</b>	<b>\$10,731,928,375</b>	<b>5.9</b>

The Use/Use Inventory category shown above **does not** include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, taxable income cannot be computed. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In August 1998, 9,612,476 gallons of jet fuel were taxed, a 4.4% increase from the 9,205,378 reported for **August** 1997. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

### **Accounting Credit**

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in **August** 1998 was \$1,112,779 11.1% increase from the \$1,001,476 claimed in August 1997 Accounting credits claimed-to-date in FY 98/99 equals \$2,204,205 a 9.6% increase from the \$2,010,421 claimed to date in FY 97/98

### **Taxable Sales by SIC Code Range**

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Smitty's might be considered both a grocery store or a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>August 1998</u>	<u>August 1997</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$151,395,403	\$134,593,634	12.5%
5311-5399	general merchandise stores	\$251,131,894	\$230,123,229	9.1%
5411-5499	food stores (no food sales)	\$221,207,814	\$209,526,406	5.6%
5511-5521	motor vehicle dealers	\$445,041,912	\$399,374,772	11.4%
5531-5599	misc. automotive, motorcycle & boat stores	\$139,335,621	\$129,104,536	7.9%
5611-5699	apparel & accessory stores	\$128,486,489	\$115,207,020	11.5%
5712-5733	furniture, home furnishings & equipment stores	\$131,971,010	\$119,102,123	10.8%
5912-5949	misc. retail stores	\$164,632,191	\$157,779,230	4.3%
	<b>TOTAL</b>	<b>\$2,487,155,647</b>	<b>\$2,288,468,238</b>	<b>8.7%</b>

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>Fiscal Yr 1999</u>	<u>Fiscal Yr 1998</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$309,326,233	\$277,776,145	11.4%
5311-5399	general merchandise stores	\$527,713,229	\$493,692,460	6.9%
5411-5499	food stores (no food sales)	\$437,617,301	\$452,367,896	(3.3%)
5511-5521	motor vehicle dealers	\$894,762,641	\$810,544,671	10.4%
5531-5599	misc. automotive, motorcycle & boat stores	\$299,697,825	\$277,274,487	8.1%
5611-5699	apparel & accessory stores	\$300,799,952	\$290,721,037	3.5%
5712-5733	furniture, home furnishings & equipment stores	\$278,091,919	\$248,379,946	12.0%
5912-5949	misc. retail stores	\$352,009,449	\$332,195,685	6.0%
	<b>TOTAL</b>	<b>\$5,225,479,462</b>	<b>\$4,850,062,711</b>	<b>7.7%</b>

### **Transaction Privilege and Severance Tax Returned to Counties**

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for August 1998 is shown in the County Share column.

	<b>Dist. Base Collections</b>	<b>County Share</b>	<b>% of Total</b>	<b>FYTD County Share</b>	<b>% Chg</b>
Apache	\$213,930	\$285,079	0.8	\$588,880	1.3
Cochise	1,126,069	648,317	1.9	1,348,834	6.4
Coconino	2,775,807	1,091,016	3.2	2,255,753	4.2
Gila	827,106	341,617	1.0	692,747	(5.5)
Graham	357,005	183,674	0.5	379,772	8.7
Greenlee	716,137	282,806	0.8	579,171	(23.0)
La Paz	226,039	112,418	0.3	230,920	5.7
Maricopa	55,456,274	21,103,896	62.1	44,297,617	9.4
Mohave	1,900,733	970,730	2.9	1,994,970	2.8
Navajo	1,417,065	600,596	1.8	1,225,161	5.0
Pima	12,680,295	5,384,564	15.8	11,080,191	5.7
Pinal	1,734,567	870,869	2.6	1,779,513	1.9
Santa Cruz	465,068	222,084	0.7	467,263	5.3
Yavapai	2,520,655	1,144,830	3.4	2,338,371	8.1
Yuma	1,520,771	760,592	2.2	1,585,413	8.3

<b>Total</b>	<b>\$83,937,521</b>	<b>\$34,003,090</b>	<b>\$70,844,577</b>	<b>7.4</b>
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### **Transaction Privilege and Severance Tax Returned to Cities/Towns**

The portion of transaction privilege and severance tax returned to each incorporated city or town for August 1998 is shown on Table 3, attached to this report.

### **County Tax Collections**

The following county-imposed tax collections were received by the Department of Revenue during August 1998 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in November, 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	<b>Road Tax</b>	<b>Excise Tax</b>	<b>Jail Tax</b>	<b>Rental Car Surcharge</b>	<b>Hospital Tax</b>	<b>Stadium Tax</b>	<b>RV Surcharge</b>
Apache		\$61,312					
Cochise		\$342,995					
Coconino		\$775,697	\$459,424				
Gila	\$257,888	\$223,437					
Graham		\$111,852					
Greenlee		\$47,968					
La Paz		\$68,998	\$68,949				
Maricopa	\$17,977,802			\$389,910		\$34,039	
Navajo		\$403,162					
Pima				\$106,171			\$4,760
Pinal	\$473,062	\$473,201					
Santa Cruz		\$131,894					
Yavapai		\$721,080					
Yuma		\$482,448	\$481,485				

## **OTHER TAXES**

### **Luxury Taxes**

The following revenues were received from the luxury taxes in August 1998. The table compares the receipts to August 1997 and also compares fiscal-year (FY) totals. Figures may not add to total due to rounding.

	<b>August 1998</b>	<b>August 1997</b>	<b>% Change</b>
Spirituos	\$1,308,337	\$939,939	39.2%
Vinous	\$470,617	\$317,261	48.3%
Malt	\$1,745,592	\$1,648,622	5.9%
Cigarette	\$14,589,813	\$13,799,475	5.7%
Other Tobacco	\$267,395	\$252,265	6.0%
Tobacco	\$550	\$1,950	(71.8%)
Licenses			
<b>Total</b>	<b>\$18,382,304</b>	<b>\$16,959,512</b>	<b>8.4%</b>

	<b>FY 1999</b>	<b>FY 1998</b>	<b>% Change</b>
Spirituous	\$2,919,974	\$2,224,370	31.3%
Vinous	\$1,133,749	\$837,602	35.4%
Malt	\$3,531,195	\$3,300,549	7.0%
Cigarette*	\$27,216,200	\$27,115,668	0.4%
Other Tobacco	\$605,720	\$537,990	12.5%
Tobacco	\$4,950	\$4,075	21.5%
Licenses			
<b>Total</b>	<b>\$35,411,788</b>	<b>\$34,020,254</b>	<b>4.1%</b>

\*In July, 1998, \$352,900 of Cigarette and Tobacco tax collections was allocated for administrative expenses and is not reflected in Fiscal year collections.

General Fund revenues from luxury taxes:

	<b>August 1998</b>	<b>FY 1999</b>
Spirituous	\$915,836	\$2,043,982
Vinous	\$117,422	\$282,999
Malt	\$436,398	\$882,799
Cigarette	\$4,008,674	\$7,473,002
Other Tobacco	\$41,446	\$93,886
Tobacco	\$550	\$4,950
Licenses		
<b>Total</b>	<b>\$5,520,326</b>	<b>\$10,781,618</b>

Other dedicated revenues from luxury taxes:

	<b>August 1998</b>	<b>FY 1999</b>
Correction Fund revenues	\$1,912,302	\$3,964,478
Health Care Fund revenues	\$10,264,558	\$19,226,920
Wine Promotional Fund revenues	\$464	\$876
Drug Treatment & Education Fund revenues	\$490,334	\$1,043,773
Corrections Revolving Fund revenues	\$194,320	\$414,023

### ***Estate Tax***

August 1998	\$4,221,525	Fiscal year To Date	\$9,452,758
August 1997	\$2,973,966	Fiscal year To Date	\$7,223,763
% Change	41.9%	% Change	30.7%

### ***Private Car***

August 1998	\$0	Fiscal year To Date	\$0
August 1997	\$0	Fiscal year To Date	\$0
% Change	NA	% Change	NA

### ***Bingo***

August 1998	\$53,231	Fiscal year To Date	\$132,882
August 1997	\$43,269	Fiscal year To Date	\$136,218
% Change	23.0%	% Change	(2.4%)

***Unclaimed Property***

	August 1998	(\$279,790)	Fiscal year To Date	\$138,891
	August 1997	<u>(\$331,110)</u>	Fiscal year To Date	<u>(\$188,126)</u>
% Change		NA	% Change	NA

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: ECONOMETRICS SECTION, ARIZONA DEPARTMENT OF REVENUE

**TABLE 2**  
**Urban Revenue Sharing Returned to Cities/Towns**  
**August 1998**

City	Distribution	Population	City	Distribution	Population
<b><u>Apache County</u></b>			Scottsdale	\$1,400,492	168,176
Eagar	\$37,599	4,515	Surprise	89,413	10,737
Springerville	15,989	1,920	Tempe	1,280,951	153,821
St. Johns	27,981	3,360	Tolleson	36,941	4,436
<b><u>Cochise County</u></b>			Wickenburg	39,681	4,765
Benson	\$34,268	4,115	Youngtown	22,434	2,694
Bisbee	54,129	6,500	<b><u>Mohave County</u></b>		
Douglas	123,081	14,780	Bullhead City	\$224,344	26,940
Huachuca City	16,155	1,940	Colorado City	26,565	3,190
Sierra Vista	314,906	37,815	Kingman	139,645	16,769
Tombstone	7,803	1,405	Lake Havasu City	302,165	36,285
Willcox	29,421	3,533	<b><u>Navajo County</u></b>		
<b><u>Coconino County</u></b>			Holbrook	\$42,221	5,070
Flagstaff	\$453,684	54,480	Pinetop-Lakeside	27,489	3,301
Fredonia	10,409	1,250	Show Low	58,193	6,988
Page	66,204	7,950	Snowflake	34,309	4,120
Williams	22,401	2,690	Taylor	22,110	2,655
<b><u>Gila County</u></b>			Winslow	89,771	10,780
Globe	\$58,776	7,058	<b><u>Pima County</u></b>		
Hayden	7,578	910	Marana	\$50,915	6,114
Miami	16,988	2,040	Oro Valley	163,694	19,657
Payson	91,636	11,004	Sahuarita	19,245	2,311
Winkelman	5,629	676	South Tucson	45,402	5,452
<b><u>Graham County</u></b>			Tucson	3,698,577	444,138
Pima	\$15,406	1,850	<b><u>Pinal County</u></b>		
Safford	73,058	8,773	Apache Junction	\$162,595	19,525
Thatcher	32,952	3,957	Casa Grande	173,879	20,880
<b><u>Greenlee County</u></b>			Coolidge	58,751	7,055
Clifton	\$24,941	2,995	Eloy	74,240	8,915
Duncan	0.00	735	Florence	94,851	11,390
<b><u>La Paz County</u></b>			Kearny	20,444	2,455
Parker	\$24,566	2,950	Mammoth	16,322	1,960
Quartzsite	16,697	2,005	Superior	29,021	3,485
<b><u>Maricopa County</u></b>			<b><u>Santa Cruz County</u></b>		
Avondale	\$189,626	22,771	Nogales	\$172,005	20,655
Buckeye	40,447	4,857	Patagonia	7,870	945
Carefree	19,037	2,286	<b><u>Yavapai County</u></b>		
Cave Creek	25,616	3,076	Camp Verde	\$62,165	7,465
Chandler	1,102,233	132,360	Chino Valley	52,280	6,278
El Mirage	47,808	5,741	Clarkdale	21,652	2,600
Fountain Hills	117,801	14,146	Cottonwood	54,504	6,545
Gila Bend	14,548	1,747	Jerome	3,831	460
Gilbert	494,140	59,338	Prescott	258,870	31,086
Glendale	1,520,734	182,615	Prescott Valley	133,599	16,043
Goodyear	77,030	9,250	Sedona	74,065	8,894
Guadalupe	45,452	5,458	<b><u>Yuma County</u></b>		
Litchfield Park	31,137	3,739	San Luis	\$66,837	8,026



Mesa	2,815,683	338,117	Somerton	48,500	5,824
Paradise Valley	103,661	12,448	Wellton	9,377	1,126
Peoria	620,943	74,565	Yuma	503,458	60,457
Phoenix	9,571,816	1,149,417			
Queen Creek	25,582	3,072	<b>TOTAL</b>	<b>\$28,359,221</b>	<b>3,406,677</b>

**TABLE 3**

**Transaction Privilege and Severance Tax Returned to Cities/Towns  
August 1998**

City	Distribution	Population	City	Distribution	Population
<b><u>Apache County</u></b>			Queen Creek	\$18,910	3,072
Eagar	\$27,792	4,515	Scottsdale	1,035,218	168,176
Springerville	11,819	1,920	Surprise	66,092	10,737
St. Johns	20,683	3,360	Tempe	946,855	153,821
<b><u>Cochise County</u></b>			Tolleson	27,306	4,436
Benson	\$25,330	4,115	Wickenburg	29,331	4,765
Bisbee	40,011	6,500	Youngtown	16,583	2,694
Douglas	90,979	14,780	<b><u>Mohave County</u></b>		
Huachuca City	11,942	1,940	Bullhead City	\$165,831	26,940
Sierra Vista	232,773	37,815	Colorado City	19,636	3,190
Tombstone	8,649	1,405	Kingman	103,223	16,769
Willcox	21,748	3,533	Lake Havasu City	223,355	36,285
<b><u>Coconino County</u></b>			<b><u>Navajo County</u></b>		
Flagstaff	\$335,355	54,480	Holbrook	\$31,209	5,070
Fredonia	7,694	1,250	Pinetop/Lakeside	20,320	3,301
Page	48,937	7,950	Show Low	43,015	6,988
Williams	16,558	2,690	Snowflake	25,361	4,120
<b><u>Gila County</u></b>			Taylor	16,343	2,655
Globe	\$43,446	7,058	Winslow	66,357	10,780
Hayden	5,602	910	<b><u>Pima County</u></b>		
Miami	12,557	2,040	Marana	\$37,635	6,114
Payson	67,736	11,004	Oro Valley	121,000	19,657
Winkelman	4,161	676	Sahuarita	14,226	2,311
<b><u>Graham County</u></b>			South Tucson	33,560	5,452
Pima	\$11,388	1,850	Tucson	2,733,918	444,138
Safford	54,003	8,773	<b><u>Pinal County</u></b>		
Thatcher	24,358	3,957	Apache Junction	\$120,187	19,525
<b><u>Greenlee County</u></b>			Casa Grande	128,528	20,880
Clifton	\$18,436	2,995	Coolidge	43,427	7,055
Duncan	4,524	735	Eloy	54,877	8,915
<b><u>La Paz County</u></b>			Florence	70,112	11,390
Parker	\$18,159	2,950	Kearny	15,112	2,455
Quartzsite	12,342	2,005	Mammoth	12,065	1,960
<b><u>Maricopa County</u></b>			Superior	21,452	3,485
Avondale	\$140,168	22,771	<b><u>Santa Cruz County</u></b>		
Buckeye	29,898	4,857	Nogales	\$127,143	20,655
Carefree	14,072	2,286	Patagonia	5,817	945
Cave Creek	18,935	3,076	<b><u>Yavapai County</u></b>		
Chandler	814,750	132,360	Camp Verde	\$45,951	7,465
El Mirage	35,339	5,741	Chino Valley	38,645	6,278
Fountain Hills	87,077	14,146	Clarkdale	16,004	2,600
Gila Bend	10,754	1,747	Cottonwood	40,288	6,545

Gilbert	365,259	59,338	Jerome	2,832	460
Glendale	1,124,098	182,615	Prescott	191,352	31,086
Goodyear	56,939	9,250	Prescott Valley	98,754	16,043
Guadalupe	33,597	5,458	Sedona	54,748	8,894
Litchfield Park	23,016	3,739	<b><u>Yuma County</u></b>		
Mesa	2,081,300	338,117	San Luis	\$49,405	8,026
Paradise Valley	76,624	12,448	Somerton	35,850	5,824
Peoria	458,989	74,565	Wellton	6,931	1,126
Phoenix	7,075,306	1,149,417	Yuma	386,520	62,792
			<b>TOTAL</b>	<b>\$20,984,380</b>	<b>3,409,012</b>



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